



**FINANCE AND ADMINISTRATION CABINET
COMMONWEALTH OFFICE OF TECHNOLOGY**

Steven L. Beshear
Governor

Lori H. Flanery
Secretary
Finance and Administration Cabinet

101 Cold Harbor Drive
Frankfort, Kentucky 40601
Phone: 502-564-1201
Fax: 502-564-5769
<http://technology.ky.gov/>

Steve Rucker
Commissioner

Jim Barnhart
Deputy Commissioner

AGENCY CONTACT MEMORANDUM #2011-0801

TO: Agency CIOs, Technical Contacts, Budget Leads

FROM: Steve Rucker, Commissioner
Commonwealth Office of Technology

DATE: Aug. 9, 2011

SUBJECT: Reduction in Storage and Backup Rates for Open Systems

The Commonwealth Office of Technology (COT) and the Cabinet for Health and Family Services (CHFS) have recently agreed to a shared services arrangement that will reduce open systems storage and backup rates to historic lows. This substantial savings will be offered soon to the Enterprise (Executive Branch agencies).

In the spirit of Governor Beshear's SGI initiatives, this is an exciting opportunity for all Executive Branch agencies to continue receiving quality IT services while substantially driving down costs. The synergy of combining the CHFS open systems storage volume to what is already managed by COT creates additional savings to the enterprise, from greater economies of scale.

As a result of the cooperative actions of COT and CHFS, two new rates will be introduced for open systems storage and backups. The conversion of CHFS data will take place first, in the September timeframe. Following that, over the course of Fiscal Year 2012, all storage and backup users will be transitioned to the new offerings. The new rates represent potentially substantial savings (as much as 57%) for users of the storage offerings. The storage and backup rates/processes for mainframe DASD are not affected by this change.

The two new services will be labeled as "Open Systems Storage – ST80" and "Open Systems Backups – ST90". The two monthly rates will initially be set at \$.30 per GB allocated, and \$.15 per GB protected, respectively. As more agencies are migrated to these offerings, the rates will continue to fall. For additional details, review the rated service descriptions which will be posted soon at <http://technology.ky.gov>.

If you have questions regarding the new rates, please contact your COT Business Relationship Manager via the Commonwealth Service Desk. (CommonwealthServiceDesk@ky.gov).